

direct communication with the Military Services on S&S personnel matters and with the Department of the Army on S&S financial matters. The S&S shall keep the Unified Command and the AFIS informed of all actions.

(b) *Management Review and Evaluation.* (1) The Director of the AFIS provides business counsel, assistance, and policy oversight for the S&S. The Director of the AFIS shall meet annually with the Unified Command representatives, to include the S&S commander/publisher, and senior DoD officials who have S&S responsibilities, such as the S&S MAG.

(2) The Director of the AFIS shall be assisted by a S&S MAG composed of senior representatives from the AFIS, the OASD(FM&P), and the other DoD offices with the authority and expertise to aid in solving S&S problems. As needed, the Director of the AFIS may organize a DoD steering committee to oversee and aid the S&S MAG to address specific concerns identified by the Director of the AFIS and the Unified Command CINCs.

(3) In accordance with DoD Instruction 7600.6⁷, and Army implementation thereof, the S&S shall be audited on an annual basis, either by the Army Audit Agency (AAA) or by an AAA-approved audit contractor. NAF funds of the S&S shall be used for such contracts. The audits will be performance audits and may be financial in nature as prescribed by the Comptroller General of the United States Government Auditing Standards. Each annual audit will determine whether prior audit recommendations have been implemented and the reasons any have not been implemented. When the Inspector General, DoD, elects to perform an audit of the S&S organization, such audit may substitute for the required annual audit. The S&S organizations shall coordinate their audit requirements with each other and the Army Community and Family Support Center to the maximum extent practicable to avoid duplication of costs and to increase the efficiency and effectiveness of these audits. Information copies of the audit contractor reports shall be forwarded by the S&S to the Unified Commands,

AFIS and AAA. The S&S shall provide a response to the audit to the Unified Command CINC within 60 days of receiving the completed report. The S&S response to the audit must indicate a concurrence or nonconcurrence for each finding and recommendation. For each concurrence the corrective actions taken or planned should be described and completion dates for actions already taken, as well as the estimated dates for completion of planned actions, should be provided. For each nonconcurrence, specific reasons must be stated. If appropriate, alternative methods for accomplishing desired improvements may be proposed. If nonconcurrences in the findings and recommendations cannot be resolved between the S&S management and the auditors or AAA endorses the contractors' findings and recommendations, then the resolution procedures established by DoD Directive 7650.3⁸, and Army Regulations should be followed. The Unified Command shall forward the response to the Director of the AFIS and the AAA.

§ 246.7 Information requirements.

The reporting requirements in § 246.6, and appendix B to this part shall be submitted in accordance with DoD Instruction 7000.12, and 7600.6, unless specifically excepted by this part.

APPENDIX A TO PART 246—MISSION

A. *General.* The Stars and Strips (S&S) organizations shall contribute to the overall U.S. joint-defense mission overseas by providing news and information for the Armed Forces internal audiences serving in a Unified Command area of responsibility, or deployed in support of designated joint-Service exercises, contingency operations, or situations of armed conflict. That shall be done through the operation of a daily newspaper and resale activities of commercial publications (primarily through the S&S bookstores).

B. *Newspapers.* The Stars and Stripes coverage of news and information makes possible the continued exercise of the responsibilities of citizenship by DoD personnel and their families overseas. The Stars and Stripes are to be published overseas during peacetime, contingency operations, and armed conflicts. They shall provide the same

⁷ See footnote 1 to § 246.4(c).

⁸ See footnote 1 to § 246.4(c).

range of international, national, and regional news and opinion from commercial sources, as is provided by newspapers in the United States. Additionally, to better serve their readers, the Stars and Stripes shall pay special attention to news of local, host-country conditions relevant to their audiences. They shall provide, through their reporters and bureaus, news of local military communities within the theater and news of the U.S. Government, the Department of Defense, the Military Services, and theater operations not usually available to readers from outside commercial sources. The Stars and Stripes are to serve the interests of their overseas DoD readership as do prominent commercial daily newspapers throughout the United States.

C. *S&S Bookstores and Retail Operations.* The S&S shall serve readers' needs for contemporary news and information by providing a broad selection of resale commercial publications of interest to their customers at the most reasonable prices, either directly in the S&S bookstores or through other authorized sales outlets at their discretion throughout the Unified Command designated geographic area. The S&S shall have the same authorities and rights for resale commercial publications that the military exchange services have for other nonsubsistence goods and services.

D. *S&S Job Shop Printing.* The S&S are authorized to operate job shop printing, to include book publishing and/or printing, within the Unified Commands for U.S. military community newspapers, military organizations, nonappropriated fund (NAF) instrumentalities (NAFI), Morale, Welfare, and Recreation (MWR) activities, private organizations of interest and concern to the Department of Defense, as designated by 32 CFR part 212, DoD employees and their immediate families, and others designated by the Unified Command.

E. *War-Time Mission and Contingency Operations.* The S&S shall provide the Stars and Stripes on a daily basis for transportation to, and distribution in, the designated area of operations, as requested and funded by the responsible Unified Command Commander-in-Chief (CINC), and supported by the respective Unified Command owning the S&S organization. The Unified Commands shall plan for required airlift on a timely basis and intratheater distribution of daily Stars and Stripes newspapers as part of their operational planning documents. Intratheater distribution and required airlift of the Stars and Stripes shall be the responsibility of the supported Unified Command CINC and respective component commands, who shall reimburse the S&S for nonresale issues on a per-issue basis. When deployed to an area of operations, the Stars and Stripes reporters shall operate in the same manner as commercial media representatives. The deployed

Stars and Stripes reporters shall be eligible for participation in DoD and command-sponsored regional and local media pools.

APPENDIX B TO PART 246—BUSINESS AND FINANCIAL OPERATIONS

A. *General Financial Operations.* 1. For financial management purposes, the Unified Commands shall administer the Stars and Stripes (S&S), with policy oversight exercised by the Director of the American Forces Information Service (AFIS), as non-appropriated fund instrumentalities (NAFIs) in accordance with §246.4(c), except where procedures differ as defined in this part. The S&S shall report as prescribed in DoD Instruction 7000.12,¹ providing information copies to the Unified Commands and the Director of the AFIS.

a. The S&S shall be authorized non-appropriated fund (NAF) and appropriated fund (APF) support as category B NAFIs as provided under DoD Instruction 1015.6.²

b. The S&S shall be funded to the maximum extent possible through the sale and distribution of the newspaper, news magazines, books, periodicals, and similar products; job printing; authorized advertising revenues; and other authorized sources of revenue, as approved by the Department of Defense and the Congress.

c. APF support shall be kept to a minimum, consistent with the S&S mission.

2. The Secretary of the Army shall be the DoD Executive Agent for APF and NAF support to the S&S. If adverse conditions occur, the other Military Services shall provide proportionate funding support through a memorandum of agreement (MOA) containing funding procedures coordinated with the affected Unified Commands and the AFIS. Copies of the agreement shall be provided to all concerned parties.

3. The Stars and Stripes and other S&S commercial resale publications may be made available within the Unified Command to other U.S. Government Agency members, and U.S. Government contractors, as approved by the Unified Command.

4. The S&S system of accounting and internal control shall conform with the requirements of DoD Instruction 7000.12, Army regulations on Morale, Welfare and Recreation (MWR) activities and NAFIs, and NAF accounting policies and procedures, except as authorized by the S&S Comptroller's Manual to meet business and consolidation requirements. The S&S shall ensure that quarterly reports are furnished to the Unified Commands, the S&S Board of Directors, and the Director of the AFIS.

¹Copies may be obtained, at cost, from the National Technical Information Service, 5285 Port Royal Road, Springfield, VA 22161.

²See footnote 1 to A.1. of this appendix.